

top of the news

A small town's problem spurs call for big changes in PCB legislation

Holden, Mo., a small town 60 miles outside of Kansas City, may seem an unlikely spawning ground for national hazardous waste legislation, but, say some of the 2,200 Holden residents, so was Love Canal, the neighborhood outside of Buffalo whose polluted environment led to the Superfund law. What lies in Holden that has already sparked congressional activity is an inactive hazardous waste treatment plant that was operated by Martha C. Rose Chemicals, with up to 20 million lb of polychlorinated biphenyls (PCBs) still on the premises.

The Holden facility is "probably the worst situation in the entire U.S.," says Philip E. Badame, president of Environ-

'I have never in my life seen so much PCB, both solid and liquid, stored in one place'

mental Technologies (ET) of North Tonawanda, N. Y., a remedial cleanup company that was hired to begin cleanup at the Rose plant. Conditions at the plant, he says, are "shocking" and the Environmental Protection Agency (EPA) should be criticized sharply for having tolerated its operation.

Hearings. Preliminary evidence from Holden indicates that "PCB disposal companies can disregard laws, cut corners and hide activities from EPA," declares Representative Mike Synar (D., Okla.), chairman of the House Government Operations Committee's subcommittee on environment, energy and natural resources. Synar's subcommittee held hearings on Aug. 13 on the Holden situation. From those hearings, Synar has drawn the conclusion that more investigation is needed to see whether PCBs should be removed from regulation under the Toxic Substances Control Act (TSCA) and placed under the umbrella of the Resource Conservation and Recovery Act (RCRA) "to eliminate gaps" in enforcement.

TSCA does not contain provisions for

"cradle-to-grave" monitoring of PCBs; RCRA, Synar explains, might allow EPA to track PCBs more closely. Synar intends to focus his investigations on Holden, because, he points out, Holden "may not be the exception to the rule." From Holden, Synar hopes, "we may learn what to do in other areas of the country."

Irritation. The problem in Holden began in early 1982, soon after Rose Chemicals began operating. Citizen complaints to both EPA and village officials about the Rose facility started then and continued until Rose closed the plant last February. "The smell around the plant is [still] so bad on some nights that neighbors call to complain," says Holden Mayor Francis Brillhart. "They say they've been awakened at two or three in the morning with eye and nose irritations, and, in some cases, they live a mile or so away from the plant."

Officials of EPA Region 7 (Kansas City, Mo.) say that they responded to these complaints with inspections and citations against Rose under TSCA, beginning in November 1983, when the agency inspected the site and found a number of violations at the plant. At that time, EPA and Rose entered into a consent agreement to correct the problems. The agency reinspected and found further and uncorrected violations in August 1984, and in May and December 1985. Each time, say officials, new citations against Rose were issued.

In January 1986, EPA inspected the plant again, determined that Rose had not complied with the previous orders, and in February issued letters of intent to revoke Rose's operating permits if the company did not come into compliance by Mar. 15. Instead of complying,



Synar seeks legislation "to eliminate gaps" in enforcement.

Rose ceased operations, leaving only skeleton crew at the plant.

Subsequently, Rose hired ET to clean up the site, which led to a secondary set of problems. Badame says that on May 13 his company entered the Holden plant as a contractor to do remedial work. "We met with EPA officials," he adds, "and developed a plan that met their requirements." However, EPA Region 7 attorneys say ET "is presently the operator of the facility."

An EPA order. On May 13, Badame continues, a spill occurred when one of the tanks ET was working on ruptured. Badame insists that ET "immediately began to clean it up." EPA officials were unsatisfied and on May 23 issued an administrative order against Rose and two other Rose-connected companies—W. C. Carolan (Kansas City, Mo.), an industrial equipment sales company, and American Steel Works (Kansas City and Holden). Carolan and American Steel are included in the order, the agency says, because Rose allegedly paid rent to American Steel and Rose's former staffers "are employed



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SUPERFUND RECORDS

of American who received paychecks from the Carolan Co. and American."

EPA's order directs Rose and ET and "their agents, representatives, employees and consultants"—ostensibly Carolan and American Steel—to comply with a three-stage cleanup plan. The first stage of the cleanup calls for an immediate response to the May 13 spill; the second stage calls for initial site work, such as cutting the grass at the plant and securing the perimeter fence. The third stage of the order—or "final response action"—outlines inventory and disposal plans.

Badame contends that ET's inclusion in the order is unfair and has hurt his credibility and business. "We were severely abused by EPA," Badame complains, adding that "it is our intention to file a lawsuit in federal court against Region 7." Badame further charges that Region 7 has allowed its area to become "the PCB capital of the world" because of "a lack of regulation."

ET 'still a party.' EPA lawyers say that they properly included ET in the administrative order. "ET is still a party," says one attorney. "We have not removed its name." EPA estimates that the total cleanup price tag will come to \$10-20 million.

Rose says that it has no money for compliance because it has been forced into involuntary bankruptcy by its creditors. Carolan and American Steel declare that they shouldn't have to comply because, despite some links to Rose, they are independent, separate businesses that had no part in creating the Holden PCB problem. ET has withdrawn from the site and says that if anything, EPA owes the company about \$30,000 for its brief remedial efforts in Holden. "I doubt that we will ever be paid," Badame concedes, "but I'm going to bill them."

With all the parties named in the administrative order denying responsibility for the site, a comprehensive resolution of the PCB problem has not been developed. Clean Sites, Inc. (Alexandria, Va.), an independent coalition of business, environmental and academic interests formed to facilitate cleanup of orphan dumps, has been commissioned by nine PCB generators and Rose customers to coordinate preliminary remedial efforts at Holden. In fact, the organization and its contractor—O. H. Materials (Findlay, Ohio)—began work at the plant Sept. 2. The initial tasks of the cleanup include conducting soil sampling, surveying the facility, erecting a sturdier security fence, installing lighting and containerizing waste oil found

in the bottom of a pit, in addition to cutting the grass.

Those activities, says Roger L. Van Zele, a Clean Sites' project manager, "are really just the first pass to give us the building blocks" for disposal. EPA and Clean Sites, representing the nine corporate generators, must still agree on the shape of a new administrative order before actual PCB removal and disposal can begin. And more PCB waste generators must be attracted to the negotiating process to raise



Tightening security is a first step in the cleanup.

sufficient money for the cleanup.

While this effort is going on, federal officials are moving on several fronts to counteract Rose's noncompliance with EPA's administrative order. EPA is seeking to examine Rose's records to determine the company's financial status. And EPA and the Federal Bureau of Investigation (FBI) have launched a joint probe of Rose. Only a few details of the EPA/FBI investigation have been released. An FBI spokesman in Kansas

City says, "We have a joint investigation under way into allegations of possible criminal impropriety in the operation of the plant in Holden, Mo." And Morris Kay, chief of EPA Region 7, says that his agency has referred to the Justice Dept. alleged Rose violations of TSCA, RCRA and the Comprehensive Environmental Response, Compensation and Liability Act (Superfund).

Immediate action. EPA, in turn, remains under Synar's congressional microscope. This fall the subcommittee, among other things, wants to look into how well EPA is monitoring PCBs. Representative Ike Skelton (D., Mo.), the congressman for Holden residents, has asked both the White House and Kay to declare the Rose plant a Superfund site. In a letter to President Reagan, Skelton demands that the Administration "move immediately and recognize the magnitude of this abandoned site," which Badame says has the largest concentration of PCBs in the U.S. "I have never in my life seen so much PCB, both solid and liquid, stored in one place," Badame says.

While Badame and Congress are putting EPA on the hotseat, Rose executives seem to place most of the blame for their problems on the Holden townspeople. Rose had to wrestle with some technical problems, says Dwight Thomas, the research and development director for Rose. The chief difficulty was in finding adequate incineration capacity for the PCBs the company processed or brokered. But when Rose worked out an arrangement for an on-site incinerator to be built at Holden, Thomas says, "the city refused to accept it and would not issue the building permits."

Holden officials are duly chastened by what has come of the Rose episode. "We've learned our lesson," says Mayor Brillhart. "From now on, we'll be carefully policing new businesses." □

JEFFREY TREWHITT in Chicago, with Reginald Rhein in Washington and Laurie A. Rich

Borg-Warner's big stake in ABS

With worldwide demand for acrylonitrile butadiene styrene (ABS) expected to grow at 5-8%/year through 1990, Borg-Warner Chemicals is bullish on the prospects for the material. That's what company executives recently told a group of press representatives in New York City. The \$1 billion/year company has a definitive stake in ABS; its Cyclocac brand accounted for 80% of

B-W Chemical's \$985 million in sales last year.

However, while the worldwide outlook for ABS is good, U.S. demand is increasing at only 2-3%/year, says Joseph M. Sakach, Jr., the company's senior vice-president for plastics. "The major growth areas for ABS will be outside the U.S.," he says, particularly in Southeast Asia. Demand in China alone